

AM0932
LB 542
DSH-03-24

AM0932
LB 542
DSH-03-24

AMENDMENTS TO LB 542

1 1. Strike the original sections and insert the following
2 new sections:

3 "Section 1. The Legislature finds that there are
4 significant issues relating to tax policy that need to be reviewed
5 periodically. The Legislature also finds that a law to create a
6 tax policy review commission to study Nebraska's tax structure,
7 review implications for the future, ensure the retention of
8 institutional knowledge about Nebraska's tax policy, and provide
9 recommendations for sound tax policy for the future is essential to
10 the long-term growth of our economy and the survival of our public
11 institutions. To address this subject, the Legislature shall
12 appoint the Tax Policy Review Commission as provided in section 2
13 of this act.

14 Sec. 2. The Tax Policy Review Commission is created.
15 The commission shall have fifteen members appointed by the
16 Executive Board of the Legislative Council as follows:

17 (1) Eight members of the Legislature, at least six of
18 whom will not be term-limited out of the Legislature in January
19 2007;

20 (2) One representative of the education community
21 appointed from a list of names submitted by the Education Committee
22 of the Legislature;

23 (3) One representative of production agriculture
24 appointed from a list of names submitted by the Agriculture

AM0932
LB 542
DSH-03-24

AM0932
LB 542
DSH-03-24

1 Committee of the Legislature;

2 (4) One representative of industry and manufacturing
3 appointed from a list of names submitted by the Business and Labor
4 Committee of the Legislature;

5 (5) One representative of the financial sector appointed
6 from a list of names submitted by the Banking, Commerce and
7 Insurance Committee of the Legislature;

8 (6) One representative of the telecommunications sector
9 appointed from a list of names submitted by the Transportation and
10 Telecommunications Committee of the Legislature; and

11 (7) One representative of city government and one
12 representative of county government appointed from two lists of
13 names submitted by the Government, Military and Veterans Affairs
14 Committee of the Legislature.

15 Sec. 3. The Tax Policy Review Commission shall elect a
16 chairperson from among its members. The commission shall meet
17 quarterly or more often if the chairperson determines additional
18 meetings are necessary to accomplish the objectives established in
19 this act giving consideration to the funds appropriated. Members
20 shall be reimbursed for their actual and necessary expenses as
21 provided in sections 81-1174 to 81-1176.

22 Sec. 4. The Tax Policy Review Commission shall:

23 (1) Evaluate current Nebraska tax policies and how they
24 relate to generally recognized tax policies of adequacy, equity,
25 economic competitiveness, simplicity, and accountability and
26 recommend improvements;

27 (2) Examine household tax burdens and business tax

AM0932
LB 542
DSH-03-24

AM0932
LB 542
DSH-03-24

1 burdens as compared to the United States as a whole and nearby
2 states and recommend improvements;

3 (3) Examine nominal tax rates as compared to the United
4 States as a whole and nearby states and recommend improvements;

5 (4) Evaluate current business tax incentive programs and
6 recommend improvements;

7 (5) Examine the impact of changes in the fundamentals of
8 the Nebraska economy on the revenue adequacy and stability for the
9 state and recommend improvements;

10 (6) Examine demographic changes taking place in our
11 state, anticipate the effects such changes have on the revenue
12 adequacy and stability for the state in the future, and recommend
13 improvements; and

14 (7) Issue a report to the Executive Board of the
15 Legislative Council and the Revenue Committee of the Legislature by
16 November 15, 2006, containing any recommendations for legislation
17 to reform tax policy and, if appropriate, draft legislative
18 proposals.

19 Sec. 5. The Tax Policy Review Commission may hold
20 hearings throughout the state for the purpose of receiving input
21 from the public on the issues identified in section 4 of this act.

22 Sec. 6. (1) Employees of the Department of Revenue, the
23 Department of Property Assessment and Taxation, and the Legislative
24 Council shall be available to the Tax Policy Review Commission to
25 assist it in carrying out its work. The commission may contract
26 with a meeting facilitator and with experts from any institution of
27 postsecondary education in the state to provide assistance,

AM0932
LB 542
DSH-03-24

AM0932
LB 542
DSH-03-24

1 specific research, research or policy reports, or presentations to
2 carry out the purposes of section 4 of this act, within the
3 constraints of the appropriation provided.

4 (2) Funding for the commission shall be appropriated to
5 the Legislative Council and shall not exceed one hundred thousand
6 dollars.

7 Sec. 7. This act terminates on December 31, 2006.

8 Sec. 8. Since an emergency exists, this act takes effect
9 when passed and approved according to law.".